

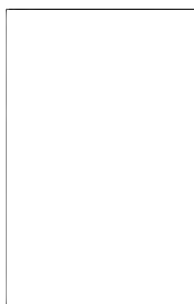
THE PRESIDENT'S INTELLIGENCE CHECKLIST

30 AUGUST 1961
~~TOP SECRET~~



31923 8-81

1. Brazil developments



a) Political leaders, with some military support, are seeking a compromise to curtail the powers of the presidency and allow Goulart to take office. The top military leaders have rejected this tack and may be considering imposing a military dictatorship if congress refuses to cooperate in barring Goulart from the presidency;

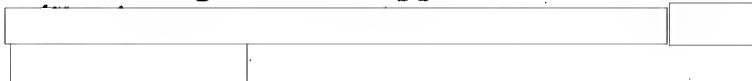
b) General Machado Lopes, the commander of the Third Army in southern Brazil (which comprises almost half of Brazil's army) and some Third Army divisional commanders have given their support to Goulart;

c) Early today Acting President Mazilli issued a decree firing Machado Lopes and two Third Army division commanders but it is doubtful that they will abide by the decree.

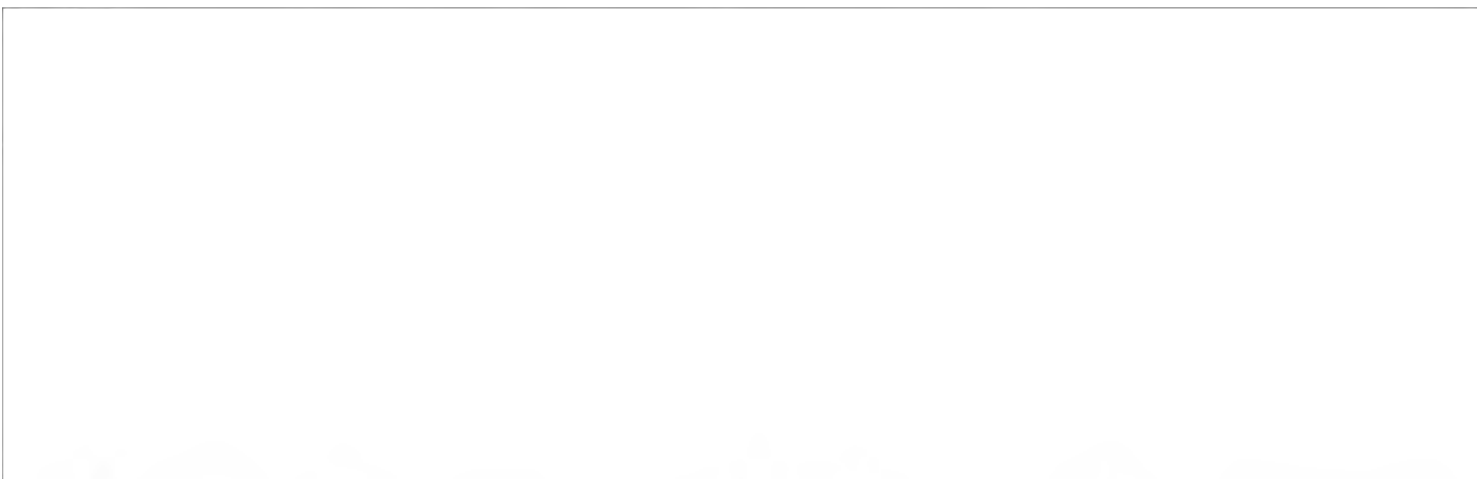
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d) Goulart may fly from Paris to Uruguay and then go to Rio Grande do Sul, his home state where the Third Army is based. The governor of the state, Goulart's brother-in-law, has pledged his support to Goulart.

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3. Moscow military buildup

The Moscow announcement of the retention in service of personnel due to be released in 1961 indicates that not only have the original reductions in the armed forces been suspended but that there will be a substantial buildup this fall as the new class of conscripts is inducted. The emphasis on the time of signing the Peace Treaty further indicates Soviet purpose to picture Western Policy as opposing by force execution of the treaty per se and the Soviet intention to claim a big victory if this treaty is signed and ratified without effective Western interference.

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4. Indonesian views on issues to be discussed at the conference of non-aligned nations

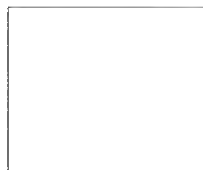


Foreign Minister Subandrio told our ambassador that he believes the major issues to be discussed will be Berlin, the UN and disarmament and that "sore spots" such as Bizerte, Angola and Algeria will be raised as well. Subandrio said the conference should exert "moral suasion" for a negotiated settlement on Berlin and express a "pious hope" for progress toward disarmament. On the structure of the UN, Subandrio said Indonesia was opposed to the troika concept but would seek acceptance at Belgrade of proposals that ad hoc commissions appointed by the General Assembly handle crises such as the Congo and that UN Under-secretaries report directly to the Assembly rather than to the Secretary General.

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5. Communist China and Nepal sign draft boundary treaty



No mention is made in the draft of the ownership of Mt. Everest or to several other issues which have been sticking points in the negotiations and which are to be discussed when King Mahendra visits Peiping next month. Peiping may ply Mahendra with an offer of more economic aid to secure final agreement to a treaty. Although a final treaty has not yet been signed, the Chinese will probably herald the draft as evidence of their reasonableness in settling border issues in order to pin the blame on New Delhi for deadlocking the Sino-Indian border conference.

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6. Congo developments

a) "Neutralist" diplomats in Stanleyville are concerned over the uncertain relationship between Gizenga and Adoula and are impatient with Gizenga's attitude concerning the non-aligned nations conference. Representatives of Mali, Ghana, and Yugoslavia have criticized Gizenga's apparent unwillingness to accompany Adoula to Belgrade after having initially made Congolese attendance a condition for his support of Adoula.

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b) The cabinet has decided that if Gizenga fails to come to Leopoldville by 15 September, he will be declared a rebel.

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c) Gizenga's reluctance appears to stem from concern for his personal safety should he leave his Stanleyville stronghold.

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NOTES

- A. Communist China has admitted for the first time that there have been outbreaks of paracholera in some coastal areas of Kwangtung Province and has denied the incidence of true cholera. (The effects of paracholera are as severe as those of true cholera). Peiping says that there have been 284 cases to date and 28 deaths but that the outbreak is under control. The Communists have donated anticholera vaccine to Hong Kong and Macau. 50X1
- B. The Algerian Provisional Government expects to receive 12,000 tons of wheat and 250 tons of dried vegetables from food-short Communist China between now and the end of September. 50X1
- C. Top Ghanaian military officers are opposed to Nkrumah's decision to send 400 Ghanaian cadets to the USSR for training and the cabinet is split on the President's decision. If Nkrumah persists with his plan 50X1
opposition by army officers 50X1
might well reach the point of revolt or a coup attempt. 50X1

THE DIRECTOR OF CENTRAL INTELLIGENCE

For The President Only—Top Secret